

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF WEST)	CASE NO.
SHELBY WATER DISTRICT)	90-414

O R D E R

On December 17, 1990, West Shelby Water District ("West Shelby") filed its revised tariff with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the evidence of record and being sufficiently advised, finds:

1. West Shelby purchases water from the Louisville Water Company ("Louisville Water"), Shelbyville Water and Sewer ("Shelbyville"), and North Shelby Water Company ("North Shelby").

2. Effective February 1, 1990, Louisville Water increased its rate for water sold to West Shelby from \$.99 per 1,000 gallons to \$1.02 per 1,000 gallons. There was no increase in the \$94.50 service charge or the elevated service area surcharge of \$.19 per 1,000 gallons. There has been no change in the rates charged by Shelbyville or North Shelby.

3. West Shelby proposes to increase the rates to its customers effective January 15, 1991.

4. During the 12 months ending October 31, 1990, West Shelby purchased a total of 130,626,900 gallons of water, 36,020,000 gallons of which were purchased from Louisville Water, 94,197,500 gallons of which were purchased from Shelbyville, and 409,400 gallons of which were purchased from North Shelby.

5. West Shelby sold 114,336,500 gallons of water during the same 12-month period.

6. The increase in purchased water costs is \$1,081, resulting in a purchased water adjustment of 1 cent per 1,000 gallons of water. West Shelby has proposed to use the projected purchases for the 1991 calendar year to determine the increased cost of purchased water. Pursuant to 807 KAR 5:068, Section (2), a water district shall determine the increased cost of water purchased based on the 12 month period ending within 90 days immediately prior to the effective date of its rate adjustment to its customers. Therefore, West Shelby's approach for determining the increased cost should be denied.

7. The purchased water adjustment of 1 cent per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

8. The tariff sheet and rates proposed by West Shelby should be denied. The tariff is not signed by the utility officer authorized to issue the tariff.

IT IS THEREFORE ORDERED that:

1. The tariff sheet filed by West Shelby is hereby denied.

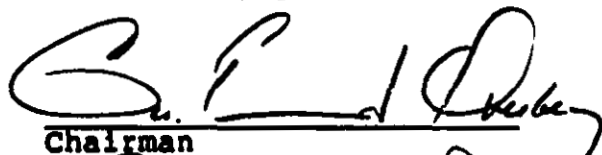
2. The purchased water adjustment of 1 cent per 1,000 gallons and the rates in Appendix A are hereby approved for services rendered on and after January 15, 1991.

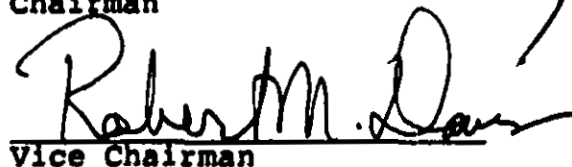
3. Within 30 days of the date of this Order, West Shelby shall file a revised tariff, signed by the appropriate utility officer, setting out the rates approved herein.

4. Within 20 days of the date of this Order, West Shelby shall file a copy of the notice to its customers and verification that such notice has been given.

Done at Frankfort, Kentucky, this 11th day of January, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 90-414 DATED 1/11/91

The following rates and charges are prescribed for the customers in the area served by West Shelby Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

USAGE BLOCKS

MONTHLY RATE

5/8 Inch Meter

First	2,500 gallons	\$9.28 Minimum Bill
Next	7,500 gallons	3.21 per 1,000 gallons
Next	20,000 gallons	2.71 per 1,000 gallons
Next	200,000 gallons	2.31 per 1,000 gallons
Over	230,000 gallons	2.01 per 1,000 gallons

3/4 Inch Meter

First	3,500 gallons	\$12.49 Minimum Bill
Next	6,500 gallons	3.21 per 1,000 gallons
Next	20,000 gallons	2.71 per 1,000 gallons
Next	200,000 gallons	2.31 per 1,000 gallons
Over	230,000 gallons	2.01 per 1,000 gallons

1 Inch Meter

First	5,000 gallons	\$17.30 Minimum Bill
Next	5,000 gallons	3.21 per 1,000 gallons
Next	20,000 gallons	2.71 per 1,000 gallons
Next	200,000 gallons	2.31 per 1,000 gallons
Over	230,000 gallons	2.01 per 1,000 gallons

1 1/2 Inch Meter

First	10,000 gallons	\$33.35 Minimum Bill
Next	20,000 gallons	2.71 per 1,000 gallons
Next	200,000 gallons	2.31 per 1,000 gallons
Over	230,000 gallons	2.01 per 1,000 gallons

2 Inch Meter

First 16,000 gallons
Next 14,000 gallons
Next 200,000 gallons
Over 230,000 gallons

\$49.61 Minimum Bill
2.71 per 1,000 gallons
2.31 per 1,000 gallons
2.01 per 1,000 gallons

3 Inch Meter

First 30,000 gallons
Next 200,000 gallons
Over 230,000 gallons

\$87.55 Minimum Bill
2.31 per 1,000 gallons
2.01 per 1,000 gallons

4 Inch Meter

First 50,000 gallons
Next 180,000 gallons
Over 230,000 gallons

\$133.75 Minimum Bill
2.31 per 1,000 gallons
2.01 per 1,000 gallons

6 Inch Meter

First 100,000 gallons
Next 130,000 gallons
Over 230,000 gallons

\$249.25 Minimum Bill
2.31 per 1,000 gallons
2.01 per 1,000 gallons